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Korea, Republic of

Market Developments

Korea Monthly Market Highlights - September

2000

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Report Highlights:

While the value of U.S. bulk agricultural exports to Korea are lagging behind the levels of last year due mainly to low commodity prices, consumer oriented product exports are booming - up 62 percent over last year. U.S. exports of these processed food products are expected to reach a record \$1 billion in 2000, far surpassing the \$742 million sold in the previous record year of 1997.

- 1) Imports of U.S. Consumer Oriented Food Products Continue Surge**
- 2) Korea Announces Biotech Labeling Requirements**
- 3) The Time is Right for California Wine Promotion**
- 4) ATO Seoul Privatizing Great American Food Show for November 2001**

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
Seoul ATO [KS2], KS

Korea Monthly Market Highlights - September

1. Imports of U.S. Consumer Food Products Continue to Surge

Korean imports of U.S. consumer ready food products were up nearly 63 percent in the January/August 2000 period, compared with last year. According to Korean Customs Service statistics (CIF basis), imports of these U.S. products surpassed \$760 million in the first 8 months of this year, which put sales on a record pace. The sharp increase in imports was led by U.S. beef (up over 100 percent), poultry meat, fruits, seafood, and food preparations. With the continued strong economy, and changing consumer tastes and buying habits, U.S. exports of these products to Korea are forecast to surpass \$1 billion in 2000 (FOB basis).

2. Korea Announces Biotech Labeling Requirements

In early September the Korean Food and Drug Administration (KFDA) announced final labeling regulations for processed foods containing biotech-enhanced ingredients. FAS/Seoul worked hard, in cooperation with other interested parties, to convince KFDA to adopt practical biotech labeling and regulatory requirements. Starting July 1, 2001, Korea will require labeling of 25 foods or food groups containing a specific level of biotech enhanced ingredients. This regulation will impact both processed and unprocessed foods containing biotech enhanced ingredients. For more specific information, please contact the ATO.

3. California Wines - The Time Is Right

ATO Seoul assisted the California Wine Institute and California Department of Commerce and Trade in holding an educational wine seminar and tasting on September 19 at the newly opened Marriott Hotel in Seoul. Wines from more than twenty California wineries were featured and sampled by about 220 food related contacts. Wine interest in Korea continues to grow with three private wine schools starting up in just the last four months. Imports of US wines this year are expected to far surpass any previous levels with California wines comprising around 95% of US wine imports to Korea.

4. ATO Seoul Privatizing Great American Food Exhibition

For the past 10 years, ATO Seoul has organized a "Great American Food Show", generally held each March, the week after FoodEx in Tokyo. This trade only show has targeted mainly new to market exporters and products, and has been successful in finding importers and representatives for participating U.S. companies. For 2001, we are working with an international exhibition firm, that will organize a trade only international class show in Seoul, likely to be held in November. Plans are still not yet final - stay tuned. Any U.S. exporter or organization that would like to visit Korea after the FoodEx show in March should contact ATO Seoul, as we would be delighted to assist you to meet importers.